



PURCHASING AUTHORITY
Town of New Milford, Connecticut
Qualified Energy Service Provider RFQ

The Town of New Milford is requesting proposals from qualified energy service providers to perform the implementation of a guaranteed energy savings performance contract. Providers must be certified in the State of Connecticut and must be able to provide comprehensive building management and energy services.

The proposal package must be obtained online at www.newmilford.org/finance.

Proposals will be received at the Purchasing Office until 3:00 p.m., on Thursday, February 6, 2020. Proposals will then be opened publicly in the E. Paul Martin Room by the Purchasing Authority at 3:30 p.m. Late proposals will be considered informal and rejected. The Town reserves the right to reject any and all submissions.

Pete Bass, Mayor
An Equal Opportunity/Affirmative Action Employer

TOWN OF NEW MILFORD, CONNECTICUT

REQUEST FOR PROPOSALS FOR ENERGY PERFORMANCE CONTRACTING SERVICES

Proposal Number: 2019-2020-16
Proposal Opening Date: Thursday, February 6, 2020
Proposal Opening Time: 3:30 p.m.
Proposal Opening Place: E. Paul Martin Room, New Milford Town Hall

INTRODUCTION

1. Purpose

The **Town of New Milford, CT and the New Milford BOE** (herein under referred to as the “Town”) requests proposals of qualifications for the identification of energy efficiency improvements on a guaranteed performance-contracting basis. The goal is to select a partner that will provide the final design, implementation, project management, financing, performance monitoring and verification, and ongoing first party performance guarantee of energy efficient improvements. No third party guarantees, or insurance policies will be accepted.

The **Town of New Milford’s** purpose of issuing this Request for Qualifications (RFQ) is to identify and select a Qualified Energy Service Provider (QESP), or Energy Services Company (ESCO), to perform the implementation of a Guaranteed Energy Savings Performance Contract (ESPC). The selected company must be a certified QESP in the State of Connecticut, and must have experience working with the Energy Savings Consultants Owner’s Representatives in ESPC projects. The successful bidder must affirmatively state its understanding and acknowledgement that it is obligated to cooperate and communicate with the Owners’ Representative during its participation in the ESPC project.

ESCO suppliers shall be able to provide comprehensive building management and energy services, including, but not limited to, the performance of energy consumption audits, the design, selection, and installation of energy efficient systems, ongoing support and training services, assistance in securing financing for the transaction, and a written guarantee of savings.

In the RFQ, the respondents must demonstrate their experience and capabilities to develop energy projects that are technically creative regarding, but not limited to;

- Modernization of buildings and town infrastructure
- Energy Conservation Measures (ECMs) and strategies
- Reduction of building/infrastructure maintenance costs
- Addressing current deferred maintenance issues
- Ability to compliment capital funding – if any
- Addressing training needs of Town personnel with respect to new systems
- Improving overall service provided by the town to the community.

2. Overview of Goals and Objectives

The Town expects to achieve the following goals and objectives by entering into a guaranteed ESPC with the selected provider.

1. Upgrade/renew existing Town and school infrastructure
2. Reduce operating costs of the Town and the Board of Education
3. Improve facility environmental conditions
4. Provide a self-funding program over each year and term of the agreement
5. Improve maintenance and operation of the facilities
6. Provide better working conditions in the identified facilities
7. Preserve/maximize use of capital funds
8. The Town will work with the successful ESCO in determining the best use of current and future capital funds that maybe be applied to this project. The application of capital funds will be based on financial analysis whereby applying capital to the project results in a positive net present value over the life of the contract.

This Request for Qualifications "RFQ" includes the following sections and attachments:

- | | |
|---------------|--|
| Section 1: | Standard Instructions to Proposers |
| Section 2: | Specifications and Scope of Work |
| Section 3: | Insurance Requirements |
| Section 4: | RFQ Form |
| Section 5: | Non-Collusive RFQ Statement |
| Section 6: | Indemnification, Acknowledgment, & Agreement |
| Attachment A: | Special Contract Terms and Conditions |
| Attachment B: | Proposed Project Schedule |
| Attachment C: | ESCO Response |
| Attachment D: | Evaluation Criteria |
| Attachment E: | Preliminary IGA Properties |

SECTION 1: STANDARD INSTRUCTIONS TO PROPOSERS

OBTAINING THE RFQ

All documents that are a part of this RFQ are contained within this document. This RFQ is open to any ESCO listed on the Connecticut Qualified Energy Services Providers list as of June 1, 2017.

PROPOSAL SUBMISSION INSTRUCTIONS

In order to be considered, Respondents must submit a complete and thorough response to this RFQ. An original and 5 copies along with an electronic version on a USB flash drive must be submitted to the **Town of New Milford** on or before the 3:00 P.M. local time on February 6, 2020. To ensure that your response is received before the deadline, either hand deliver or send submittal by registered mail to:

Town of New Milford
Purchasing Department
10 Main Street
New Milford, Connecticut 06776

All proposal material (original and 5 copies noted above) must be in a sealed envelope or container marked "Energy Savings Performance Contract, Request for Qualifications". Fax and email submittals are not acceptable and will be considered non-compliant.

Responses shall be signed by an authorized representative of the offeror. All information requested must be submitted and organized in the format requested. Failure to submit all information as requested may result in the requester requiring immediate submission of the missing information, reducing the score for that component of the response and/or elimination of the Respondent from consideration. Emphasis should be placed on completeness and clarity of content. The Town reserves the right to reject any and all bids.

PROPOSAL REQUIREMENTS

- A. The Town's goal is to implement an energy conservation program which may include but is not limited to the repair, upgrade, or modernization of existing building management systems (BMS), heating, ventilating, air conditioning, lighting, mechanical systems, electrical systems, plumbing systems, facility envelope and renewable energy. Potential utility incentives should also be discussed.
- B. Each proposal will be reviewed to determine if it is complete prior to actual evaluation. The Town reserves the right to eliminate from further consideration any proposal deemed to be substantially or materially unresponsive to the RFQ.
- C. Each proposal shall address how the ESCO will assist in arranging for financing of the projects pursuant to state and federal laws.
- D. The response to this RFQ shall be a maximum of 40 pages:

RFQ for Energy Performance Contracting Services
Section 2: Specifications and Scope of Work for ESPC

1. 10 pt Calibri font
2. A page is a single side of an 8 ½ x 11-inch sheet of paper. 11 x 17-inch pages will be counted as two pages. Page margins shall be no less than ½”

ENERGY SERVICES PROVIDER SELECTION PROCESS

The selection of an ESCO under this RFQ form will be based on the responses to the RFQ by qualified respondents and determination of the ESCO that best meets the needs of the **Town**. The **Town** reserves the right to accept or reject any offeror’s proposal based on the Town’s sole determination of its best interests. The **Town** shall not be required to select any ESCO. After selecting an energy service provider, the **Town** intends to negotiate an Energy Savings Performance Contract with the selected ESCO.

ERRORS

The Town, in its sole discretion, reserves the right to waive typographical or technical defects in the Proposal, as well as its right to correct an award erroneously made as a result of a clerical error on the part of the Town of New Milford.

QUESTIONS AND AMENDMENTS

Service Providers must address any questions via email to the Town’s point of contact no later than **January 28, 2020**. Answers furnished by the **Town of New Milford** will not be considered official unless verified in writing. Answers that change or substantially clarify the RFQ will be affirmed in writing and posted on the Town’s website, www.newmilford.org/finance no later than 5 p.m. on Thursday, **January 30, 2020**. It will be incumbent upon the Service Provider to check the Town’s website, www.newmilford.org/finance for any addenda issued.

Questions should be directed to Valerie Douglass, Town Purchasing Specialist via email at vdouglass@newmilford.org.

REQUIREMENTS FOR ESCO’S FINAL ESTIMATE

At contract award, the ESCO shall provide a fixed price contract for the detailed scope of work. The ESCO shall also document energy and operational savings for the final contract. The savings methodology shall also be documented, and measurement and verification option selected (by mutual agreement with Town) by building and/or ECM. It is expected that there will be no ESCO initiated change orders after the firm fixed price contract is signed. Change orders are acceptable for additional scope but such scope shall be defined and initiated by the town in writing. Any un-used project contingency shall be returned to the Town or used to fund additional work at the Town’s sole desecration Project contingency funds may only be used with written consent of the Town.

A verified payroll will be provided to the Town bi-weekly showing compliance with prevailing wages and the ESCO’s manpower plan at the time of contract award.

RFQ for Energy Performance Contracting Services
Section 2: Specifications and Scope of Work for ESPC

FREEDOM OF INFORMATION ACT

All information submitted in a proposal or in response to a request for additional information is subject to disclosure under the Connecticut Freedom of Information Act as amended and judicially interpreted. A proposer's responses may contain financial, trade secret or other data that it claims should not be public (the "Confidential Information"). A proposer must identify specifically the pages and portions of its proposal that contain the claimed Confidential Information by visibly marking all such pages and portions. Provided that the proposer cooperates with the Town as described below, the Town shall, to the extent permitted by law, protect from unauthorized use and disclosure such Confidential Information.

If the Town receives a request for a proposer's Confidential Information, it shall immediately notify the proposer in writing of such request and provide the proposer with a copy of any written disclosure request. The proposer may provide written consent to the disclosure, or may object to the disclosure of said information by notifying the Town in writing to withhold disclosure of said information, identifying in such notice the basis for such objection, including the statutory exemption(s) from disclosure. The proposer shall be responsible for defending any complaint brought in connection with the nondisclosure, including but not only appearing before the Freedom of Information Commission, and providing witnesses and documents as appropriate.

NON-COLLUSION AFFIDAVIT

Each proposer shall submit a completed Non-Collusion Affidavit in Section 5 of this RFQ.

END OF STANDARD INSTRUCTIONS TO PROPOSERS

SECTION 2: SPECIFICATIONS AND SCOPE OF WORK FOR ENERGY PERFORMANCE CONTRACTING SERVICES

BUILDINGS, FACILITIES AND APPROACH

The objective of the Town in issuing this RFQ is to select an ESCO to implement upgrades and improvements to Town-owned entities through a Guaranteed Energy Savings Contract. The Town is interested in contracting for a full range of energy services and energy-related capital improvements ("energy conservation measures" or "ECMs"), financed through a guaranteed energy savings contract at no capital cost to the Town. The current potential scope to be included in an IGA for development and contemplation for consideration of an ESPC Contract includes 15 facilities with an approximate total area of **920,000 ft²**, potential for street light LED conversion, a waste water treatment plant, and a **potential for a microgrid**. Refer to *Attachment E: Technical Facility Profiles and IGA Properties* for a complete list of properties and technical facility profiles. Additional Town-owned entities may be added at the Town's description during IGA development.

ESCO SERVICES

ESCO must have the demonstrated capability in engineering and management to provide a broad range of services including, without limitation, working with the Town's Owners Representative and clerk of the works in developing and implementing ESPC projects. Services may include but are not limited to the following:

Project Development Phase

- Investment Grade Audit to evaluate costs and savings of a variety of energy and water-saving measures
- project proposal including financial analysis
- benchmarking using Energy Star tools
- commissioning plan
- measurement and verification plan adhering to the latest IPMVP guidelines
- utility bill data services to capture credits from utility bill errors

Implementation and Construction Phase

- engineering design
- equipment procurement and purchasing
- construction management
- hazardous waste disposal or recycling
- access to financing from credible companies
- commissioning
- post installation report (PIR)

Performance Period Phase

- continuing operations and maintenance for all improvements
- staff training on routine maintenance and operation of systems
- training of occupants
- guarantee of performance and cost savings for the entire term of the contract
- measurement and verification for measurement and reporting of the performance and savings

RFQ for Energy Performance Contracting Services
Section 2: Specifications and Scope of Work for ESPC

- allow for independent review of measurement & verification (guaranteed savings to pay for independent ESCO)
- analysis and application for Energy Star Label www.energystar.gov and/or LEED-EBOM (Leadership in Energy and Environmental Design for Existing Buildings-Operations and Maintenance, by the US Green Building Council) <http://www.usgbc.org/DisplayPage.aspx?CMSPageID=221>
- monitoring and reporting of emissions reductions
- maintaining long-term, high-efficiency performance of buildings

ESCO must have the technical capability to address a broad range of systems including, but not limited to:

- Mechanical Systems: Heating, ventilating and air conditioning (HVAC) systems, energy management and control systems, domestic hot water systems, distribution systems, etc.
- Plants: Distribution systems, cogeneration systems, renewable energy systems, etc.
- Lighting systems: Indoor, outdoor, and street lighting systems, lighting controls, daylighting strategies.
- Electrical distribution systems: Transformer replacements, etc.
- Building envelope systems: Windows, insulation, weatherization, etc. (It is recognized that window replacements are rarely cost-effective, but could be considered as part of an overall comprehensive plan.)
- Specialty Systems: laundry equipment, kitchen equipment, renewable energy systems (e.g. PV, solar thermal, ground source heat pumps, wind power.)
- LEED-EBOM: LEED-EB strategies to improve operations and maintenance practices
- Water and Sewage Systems. Automatic controls, low-flow faucet aerators, low-flow toilets, cooling tower modifications, and irrigation system controls or modifications.
- Providing Energy Savings within historic buildings
- Desired projects.

Utility Incentives – ESCO must diligently pursue any local utility incentive programs, grants, or assignment of tax benefits, as applicable. Detailed information concerning these programs may be obtained directly from the utilities or other funding sources. ESCO shall deduct any utility incentives from the Total Project Investment. All grants and other funding sources must entirely be passed through to the Town. The selected ESCO will be required to secure and maximize the usage of all applicable utility incentives available for this project. ESCO guarantee of these incentives is encouraged but not required.

SECTION 3: INSURANCE REQUIREMENTS

INSURANCE

The selected ESCO/consultant shall secure, pay for and maintain such insurance as will protect it from claims under Workers' Compensation Acts, claims for damages because of bodily injury, including but not limited to claims for personal injury, sickness or disease or death of any person as a result of the nature of its work under the terms of the Agreement between the parties, and from all claims for damages because of injury to or of destruction of property, including but not limited to loss of use resulting there from which may arise out of any of the services provided pursuant to the Agreement between the parties.

A. The selected ESCO consultant shall provide a certificate of insurance evidencing the following required minimum coverages:

General Liability per occurrence	\$1,000,000
Personal Injury	\$1,000,000
Aggregate	\$2,000,000
Professional liability	\$1,000,000
Fire Damage (Any One Fire)	\$ 50,000
Medical Expense (Any One Person)	\$ 5,000

An error and omissions protection provision shall be provided.

The insurer shall waive all rights of subrogation on all applicable policies against the Town of New Milford, the New Milford BOE, its officers, employees and volunteers arising from all contracts, agreements and work performed by the ESCO for the Town of New Milford.

B. Automotive Liability, including owned, hired and non-owned vehicles. Limits of insurance shall be combined single limit bodily injury and property damage: \$1,000,000

C. Statutory Worker's Compensation and Employer's Liability.

Each Accident	\$ 100,000
Disease – each employee	\$ 100,000
Disease policy limit	\$ 500,000

Or in accordance with the requirements of the State, whichever is greater.

D. Umbrella /Excess \$ 2,000,000

E. The Town of New Milford, CT its officers, agents, employees, elected officials, and volunteers **MUST** be named as "Additional Insured" with reference to this project on a primary and non-contributory basis on applicable policies.

F. The selected ESCO/consultant shall indemnify and hold the Town of New Milford harmless from and against all claims to the fullest extent permitted by law.

RFQ for Energy Performance Contracting Services

- G. The selected ESCO/Consultant is an independent ESCO. No employment relationship exists between the parties.
- H. The insurer shall waive all rights of subrogation against the Town of New Milford, its officers, employees and volunteers arising from work performed by the Consultant for the Town of New Milford.
- I. If any insurance required herein is to be issued or renewed on a "claims made" form as opposed to an "occurrence" form, the retroactive date for coverage shall be no later than the commencement date of the Agreement between the parties and shall provide that in the event of cancellation or non-renewal, the discovery period for insurance claims ("Tail Coverage") shall be available for at least sixty (60) months. The insurance requirements of this Agreement are an integral element of the Agreement. Any defect in the insurance required in the Agreement may result in termination of this Agreement, at the sole option of the Town.

SECTION 4: RFQ FORM

TO: Purchasing Authority
New Milford Town Hall
10 Main Street
New Milford, CT 06776

I have received the RFQ documents entitled _____
and dated _____

I have received Addenda dated as follows: _____

I have considered and included the provisions of the RFQ documents noted above in my Proposal. I have examined the RFQ documents and I submit the following Proposal:

In submitting this Proposal, I agree:

1. To accomplish the work in accord with the RFQ Specifications and Contract Documents and to the extent that there is a conflict between the provisions of any RFQ documents, the order of precedence shall require me to provide the item or service that is of the greater value or benefit to the Town of New Milford.
2. To begin the work in accordance with the project milestone schedule provided in Attachment B to ensure that construction of ECM's begins by mid-July 2020.
3. I acknowledge that the Town of New Milford reserves the right to accept or reject any or all RFQs, alternates, options, or Proposals; to waive any technical defect in an RFQ or part thereof submitted, and to accept the RFQ deemed by the Town to be in the best interest of the Town of New Milford.

Company

Name

Title

ESCO Tax ID #

ESCO License #

Dated

SECTION 5: NON-COLLUSION AFFIDAVIT OF PRIME BIDDER

Prior to contract signing, the selected ESCO, at the completion of the IGA, shall execute and cause to have executed by all potential subcontractors and their suppliers/subcontractors, the following affidavit. These affidavits shall be included with the open bid documentation supplied to the Town.

State of Connecticut
County of _____

_____ being first duly sworn affirms that:

1. He is _____ of _____, the Bidder that has submitted the attached bid;
2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such bid;
3. Such Price is genuine and is not a collusive or sham bid;
4. Neither the said Bidder nor any of its officers, partners, Owners, agents, representatives, employees or parties in interest, including this affidavit, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by Agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached bid or of any other Bidder, or to fix any overhead, profit or cost element of the bid price or the bid price of any Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the Town of New Milford, or any person interested in the proposed Contract; and
5. The price, prices, or mark ups quoted in the ESCO's proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, Owners, employees or parties in interest, including this affiant.

Signature: _____ Printed name: _____

Title: _____ Company: _____

Date: _____

CERTIFICATE OF ACKNOWLEDGMENT

On this the ____ day of _____, 2020, before me, _____ a Notary Public or Commissioner of the Superior Court or Justice of the Peace in and for said state, personally appeared _____, known to me (or satisfactorily proven) to be the person(s) whose name(s) (is/are) subscribed to the within instrument and acknowledged that (he/she/they) executed, in authorized capacity, the same for the purposes therein contained.

WITNESSS whereof I hereunto set my hand:

Notary Public/Commissioner of the Superior Court/Justice of the Peace (circle one)

My Commission Expires/Juris Number (circle one)

SECTION 6: INDEMNIFICATION, ACKNOWLEDGEMENT & AGREEMENT

To the fullest extent permitted by law, the ESCO shall indemnify and hold harmless the Town of New Milford, elected officials and agents and employees of said Town from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including loss or use resulting therefrom, but only to the extent caused in whole or in part by acts or omissions of the ESCO, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to the Town of New Milford. In claims against any person or entity indemnified under this paragraph by an employee of the ESCO, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this paragraph shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the ESCO or a subcontractor under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

ESCO acknowledge and understands that the Town of New Milford has adopted as its policy, the nondiscrimination agreements and warranties required under Connecticut General Statutes § 4a-60(a)(1) and § 4a-60a(a)(1), as amended in State of Connecticut Public Act 07-245 and sections 9(a)(1) and 10(a)(1) of Public Act 07-142, as those statutes may be amended from time to time. ESCO further agrees to comply with such mandates.

Signature

Title

Company

Date

ATTACHMENT A: SPECIAL CONTRACT TERMS AND CONDITIONS

Payment through Performance Contract. Town shall have no payment obligations under this contract provided that the ESCO and Town execute an Energy Savings Performance Contract within 120 days after issuance of the **Notice of Acceptance** of the final **Investment Grade Audit and Project Proposal Contract**; the fee for the audit and for the Town's 3rd party engineering representative shall be incorporated into ESCO's project costs in the Energy Savings Performance Contract and paid through the Energy Savings Performance Contract funding mechanisms.

Project With Insufficient Savings. Town shall have no payment obligations under this Contract in the event that ESCO's final **Investment Grade Audit and Project Proposal Contract** does not contain a package of energy and water saving measures which, if implemented and as meeting terms of **Scope of Work, Guidelines and Requirements**, will provide the Town with cash savings sufficient to fund Town's payments of all costs and fees associated with the Energy Savings Performance Contract, including 1) the fee associated with the Investment Grade Audit, 2) all monthly payments on a lease purchase agreement to finance the measures, 3) any agreed upon annual fees for monitoring and maintenance incurred by the ESCO. Should the ESCO determine at any time during the Investment Grade Audit that savings cannot be attained to meet these terms, the Investment Grade Audit will be terminated by written notice by the ESCO to Town. In this event this Contract shall be cancelled, and Town shall have no obligation to pay, in whole or in part.

Project is declined by Town. If the ESCO is able to deliver a self-funding project that meets the contract's requirements and the project is declined by the Town, then within 90 days of the Town's decision not to execute the **Project Proposal Contract**, Town shall pay to ESCO a sum not to exceed \$ _____ *Dollar Amount in Words (\$ dollar amount)* based on a maximum of the square footage to be audited gross square feet at cost per square foot per square foot of audited square-footage, as per **Cost and Pricing**. Town shall only pay for square-footage or other entities audited. Areas deemed by ESCO or Town not to be audited will not be charged to Town.

Funding sources to support annual payment:

The following payment sources will be considered in the audit:

- Annual energy cost savings
- Annual water and other utility cost savings
- Material/commodity savings, only in years when savings are achieved, including avoided costs such as lamp and ballast replacements, scheduled replacement of parts, etc. Town must agree in writing to any material/commodity savings. Town reserves the right to decline inclusion of material/commodity savings into the ESPC.
- During negotiations, the Town may consider the inclusion of maintenance cost savings such as terminated service contracts on equipment.
- **Note:** Town labor costs are not considered as a funding source

RFP for Energy Performance Contracting Services

Attachment B: Proposed Project Schedule

Equity cash outlay: At the option of the Town, an equity cash outlay, pending funding approval, may be used as an additional funding source

Maintenance and operation cost savings: Savings will be limited to those that can be thoroughly documented and approved by Town officials. Such savings must only be attributed to the cash flow in years when savings will actually occur. Agreement by the Town must be in writing.

Contract Term. The contract term may be up to 20 years provided the cost-weighted average lifetime of the equipment exceeds the contract term. The *ASHRAE Book of Standards* will be used in determining the cost-weighted average useful life of the equipment.

Annual Savings Exceed Annual Costs. Annual savings shall exceed annual payments each and every year for the term of the contract. There shall be no “carry-over savings”, this means that excess savings in other years shall not be allocated to meet shortfalls in any other year. Annual payments shall include debt service, ESCO fees, maintenance services, monitoring services, third party consultant services, and other agreed upon costs and services.

Annual Guaranteed Cost Savings. An annual guarantee of cost savings will be provided for every year of the contract term, and every year the ESCO shall conduct M&V, as outlined in the ESPC, and provide an Annual M&V Report to substantiate that the savings were achieved. The Town reserves the right to terminate the requirement of Annual M&V and the costs associated with this after the first year from the date of project acceptance, or any year thereafter. If the Town exercises that option, the ESCO will no longer need to provide annual M&V services. Annual services for measurement and verification of the guarantee shall be available to the Town as a continued option for each subsequent year of the contract term. The guarantee must provide for the sum of identified cost savings to equal or exceed the amount of the annual payment, where annual payment equals lease, plus measurement & verification fee, plus required service, for each and every year while the guarantee is in effect.

Construction Period Savings. Savings accrued during the construction period may be allocated on an ECM by ECM basis, unless the Town directs the selected ESCO otherwise. Construction period savings will only be considered on ECM’s that have been constructed, commissioned and accepted by the Town.

Excess Savings (beyond the guaranteed amount). Excess savings will be retained by Town and will not be allocated to shortfalls in savings in other years. See “Annual Savings Exceed Annual Costs” above.

Use of Stated Cost Markups. The individual cost markups disclosed in the proposal will be used in both the Investment Grade Audit and the Energy Savings Performance Contract, provided the size and scope of the project remain similar. Cost markups presented in the proposal can be negotiated downward and shall not exceed those that the QESP negotiated with the State of Connecticut.

Open Book Pricing. Open book pricing will be required, such that the ESCO will fully disclose all costs and mark-ups, including all costs and mark-ups of all subcontractors and vendors. ESCO will maintain cost accounting records on authorized work performed under actual costs for labor and material, or other basis requiring accounting records. ESCO will provide access to records and preserve them for a period of three (3) years after final payment. Costs will be evaluated through price analysis to compare costs with

RFP for Energy Performance Contracting Services

Attachment B: Proposed Project Schedule

reasonable criteria such as established catalog and market prices or historical prices. Stated cost markups will be clearly applied.

Contingency. Any unused contingency cost will not be retained by the ESCO and will be applied to pay down the project. Contingency will be clearly delineated in the cost proforma and reasons provided as to what the contingency is to be used for. Prior to using contingency funds, the Town shall provide written authorization to do so.

Equipment Compatibility or Standardization. The Town reserves the right to reject any manufacturer's equipment that does not meet this requirement. Whenever possible, the Town desires that systems and equipment installed as part of this project, be compatible with existing systems and equipment to allow for standardization of equipment Town-wide. The Town requests that non-proprietary, open-source, and royalty-free software and equipment be used.

Inflation and Escalation Rates. Any inflation and/or utility escalation rates will be pre-approved by Town. Escalation rate calculations shall be provided to the Town for verification.

Energy Escalation Rates. Where the annual lease-purchase payments are set-up to escalate each year in anticipation of annually escalating energy cost savings, a calculator will be used to determine the maximum value as developed by the US Department of Energy for energy saving performance contracts in its Federal Energy Management Program. *For the purpose of this RFQ, all ESCOs shall use a 2% escalation factor for all utilities and a 3% escalation factor for all M&V and O&M costs.*

Measurement and Verification Plan. A measurement and verification plan shall be developed per the latest version of IPMVP guidelines in the energy savings performance contract. Note that this will be rigorously reviewed by the Town's third-party consultant, NV5 Energy Efficiency Services.

Independent Review of Project. The energy savings performance contract's cost must include the cost of services for the Town's independent Owner's Representative, NV5 Energy Efficiency Services, who will be providing an independent review of the ESCO's scope, pricing reasonableness, energy savings calculations, measurement & verification plans, O&M plans, commissioning plans, reporting, etc. For the purpose of this RFQ, the ESCO shall carry 3.6% of the construction cost for NV5 Energy Efficiency Services fees; the final actual percentage will be determined with the Town during the finalization of the Energy Savings Agreement. Also include a placeholder for independent review of Annual M&V Reports by the Owner's Representative equal to a minimum of \$8,000 or 2% of the annual savings in each year of the contract term; the actual amount will be determined during the finalization of the ESPC Contract. ESCOs should include this as a line item in their cost buildup and cash flow document.

RFP for Energy Performance Contracting Services
Attachment B: Proposed Project Schedule

ATTACHMENT B: PROPOSED PROJECT SCHEDULE

The objective is to begin the Construction Phase by July 2020. Please review the following schedule and provide alternative dates as necessary (highlighted in gray). Please provide a short narrative supporting your milestones and communicate to the Town how to best achieve these deadlines.

Estimated Milestones		
Task	Desired Date	ESCO Projected Date
<u>Phase 2: RFQ and ESCO Selection</u>		
RFQ Issued	1/10/2020	
ESCO Down Selection and Interviews	2/12/2020	
ESCO Selection and Notification	2/27/2020	
<u>Phase 3: IGA and Negotiations</u>		
Contract Negotiation	3/19/2020	
Board approval and signatures to execute contract	3/27/2020	
Audit, Final Report and Presentation	3/30/20 to 6/19/20	
<u>Phase 4: Construction</u>		
Negotiation and Documentation	5/29/2020	
Board approval and signatures to execute contract	6/26/2020	
Construction Phase Begins (Design, Equipment Specs., Construction)	7/24/2020	
Commissioning	7/24/2021	
Staff Training	TBD	
Closeout and Final Acceptance	9/24/2021	
<u>Phase 5: Performance Period</u>		
Monitoring	TBD	
Measurement and Verification	TBD	
Other	TBD	
Proposed Contract Term	TBD	

Schedule Narrative: (add space as necessary)

ATTACHMENT C: ESCO RESPONSE

COVER SHEET

Include a Coversheet and a Table of Contents active-links in the PDF.

FIRM'S GENERAL APPROACH TO PERFORMANCE CONTRACTING

Executive Summary

Responses shall include a summary overview of the Respondents proposal and other pertinent information. Such summaries are to be no more than two pages in length and shall count towards the 40-page limit.

Company Qualifications and Financial Strength

1. Provide information specifying legal business classification, state of incorporation, audited annual report and summary of financial strength.
2. List local Connecticut office(s) and how many employees are in each office.
3. Address the company's ability to fulfill the financial guarantee terms throughout duration of a Guaranteed Energy Savings Contract. Include a summary of the extent and stability of business operations related to energy offering requested under this RFQ.
4. List the two (2) most recent occurrences where your firm has financially reimbursed an entity for non-performance on energy savings. Include contact information, shortfall amount, and financial reimbursement on yearly basis. If no payouts have occurred, please explain why?
5. If the firm is a factory owned branch, specify the legal business classification, state of incorporation and where legal contracts will be executed.
6. Address the firm's affiliation, joint venture or contractual obligation to any peer partner, which may be used on this project.
7. Articulate the energy guarantee and provide supporting documentation that it is a first party and not a third-party guarantee.

RFQ for Energy Performance Contracting Services
Attachment C: Contractor Response

Project Team

Use the following table for your response, add columns or reproduce as necessary.

Name of Project Team Member:	Name 1	Name 2	Name 3...
Current Job Title: Job responsibilities: Number of years with ESCO: Primary Office Location:			
Employment History Company Name: Primary job responsibilities: Number of years with firm:			
Educational Background List all academic degrees, certifications, professional affiliations, relevant publications and technical training.			
List all energy savings performance contracting projects this individual has been involved with during past 5 years. Include project location, type of facilities, year implemented and dollar value of installed project costs.			
Describe the specific role and responsibilities this individual had for each listed project.			
Provide a detailed description of the role and responsibilities this individual will have for the duration of this project.			
Describe any other relevant technical experience.			
Indicate the total years of relevant energy-related experience for this individual.			

Submit an organizational chart that clearly identifies the roles and relationships of all key team members.

RFQ for Energy Performance Contracting Services
Attachment C: Contractor Response

Experience and References

Please respond using the sample table below, reproduce or add additional columns as necessary.

Description	[Project Name 1]	[Project Name 2...]	[Project Name x]
Project Name and Location; Number of Buildings; Primary Use; Total square footage			
Project Dollar Amount (installed project costs); Source of Project Financing			
Primary ECMs Installed; ESCO Services Provided			
Construction Start & End Dates			
Contract Start & End Dates			
Dollar Value and Type of Annual Operational Cost Savings (if applicable) (e.g., outside maintenance contracts, material savings, etc.)			
Method(s) of Savings Measurement and Verification			
Provide CURRENT and ACCURATE telephone numbers and email addresses of the owner(s)' representatives with whom your firm did business on this project. You should ensure that all representatives are familiar with this project.			
Describe the specific roles and responsibilities of ESCO personnel associated with the identified project. Limit your response to only those personnel who will be directly involved in Customer's project.			
ESCO Notes or Comments			

1. In addition to populating the table above, provide detailed project information for three (3) of the projects listed above including: customer name, project dates, total project cost at proposal

RFQ for Energy Performance Contracting Services
Attachment C: Contractor Response

stage, total final project cost, projected annual energy and water cost savings, projected annual operations and maintenance cost savings, actual realized annual cost savings to date, and any annual savings shortfalls. Respondent must also indicate whether the project was completed on schedule and on budget, and if not, explain the reasons for such delay or budget noncompliance. Only list installed projects with at least one year of completed *guaranteed* energy savings. At least one (1) references Projects must be from the State of Connecticut.

Technical Approach and Energy Conservation Measures

- a. Responses should include a detailed approach to meeting the goals and objectives for the facilities. Provide an overview of the technical approach that is used to identify, evaluate and recommend energy conservation measures.
- b. Provide a detailed description of the company's project management capabilities, approach, methods of contract management and control.
- c. Provide detailed mark-up strategy of each ECM category anticipated in your technical approach using the ECM Category Mark-up table below.
- d. Examples of energy saving measures implemented and their application for the Town of New Milford.
- e. Describe any other benefits your firm can bring to the energy services program.
- f. Provide a sample Investment Grade Audit (IGA) – with calculations showing:
 - Calculated energy savings by measure
 - Guaranteed energy savings by measure
 - Mark up of each installed energy savings measure
- g. All pricing and mark-ups will be open book and require three bidders. Please provide details of open book/bidding approach.
- h. It is the preference of the Town to maximize the use of M&V option C. Provide details of how this impacts your guaranteed savings to calculated savings ratios by ECM category that you anticipate using in this project.
- i. Note the sample IGA and supporting documentation does not count towards the 40-page limit of this response and QESP shall provide the IGA documentation on CD.
 1. IGA must be from a Connecticut reference

ECM Category Mark-ups

Project Cost Mark Ups	Lighting and Controls	Major Mechanical, HVAC systems	Chilled Water Systems	EMS & DDC	Building Envelope & Window Upgrades	Air Distribution/exhaust systems	DHW Conservation	Motors/ Drives	Kitchen Equipment	On-site Generation & Renewables	Vending, PC Controllers, Fire & Safety
On-site Construction Management											
M&V During Construction											
Cost of Risk											
P&P Bonds											
Travel											
Site Conditions											
Hazardous Waste **											
Other - Warranty											
Hard Cost Subtotal											
Engineering, Design and Spec											
Project Management											
Commissioning											
Training											
Soft Cost Subtotal											
Overhead											
Profit											
Investment Grade Audit and Project Development											
Energy savings Guaranteed/Energy Savings Calculated Ratio											
Solicit & Evaluate Project Financing Proposals											

All mark ups in the table above should represent the *maximum* percentage for the ECM category. Final mark ups shall be negotiated based on overall project scope and the Town may request the dollar value of the markup be substantiated based on hourly labor rates and estimated time for each task. Markups are applied to the base construction costs and shall not be compounded. Markups on hard costs and soft costs are not allowable.

RFQ for Energy Performance Contracting Services
Attachment D: Evaluation Criteria

Services

In your responses to the following, include a description of Respondent's experience with ensuring that equipment warranties and maintenance records are maintained and the requirements of the performance guarantee for savings is met.

- a. Provide detailed information on any proposed training programs for the Town maintenance personnel and staff, including course content, location, and schedule.
- b. Describe ESCO's capability to provide ongoing service and maintenance with the Town's in-house personnel and with third party ESCOs selected by the Town. Provide local response time.
- c. Provide the numbers of accessible truck-based service and maintenance professionals and describe their level of training and experience.
- d. State ESCO's general recommendations as to benefits of contracted service and maintenance vs. training of Town personnel.

Financial Approach

The respondent should describe financial alternatives that will maximize the net economic benefit and minimize financial risk.

- a. Provide descriptions of the sources and types and costs of financing available and recommended for use in this program.
- b. Demonstrate ability to provide or coordinate project financing.
- c. Sample financing arrangement for this project.

Methodology of Determining and Guaranteeing Energy Savings

1. Describe the firm's methodology to determine energy savings and explain how this approach will minimize risk and maximize return for the Town of New Milford over the course of up to 20 years. Include in the description, the firm's approach to verifying energy savings and addressing changes based on experience and changes in use of municipal buildings and facilities over time.
2. Discuss Respondent's general approach to identifying the appropriate Measurement & Verification (M&V) protocol on an ECM specific basis. Please provide a listing by ECM category of the anticipated IPMVP Option for each ECM. Provide for each ECM/ECM category the typical guaranteed to calculated energy savings ratio by M&V protocol applied.
3. Describe Respondent's standard measurement and verification procedures, including reporting frequency, reconciliation methods, and timing.
4. Provide a sample measurement and verification report from one of the three reference projects together with an explanation of how Respondent demonstrated, with respect to such report, whether the guaranteed savings level was met and if not, the mechanics of how the customer would be compensated. Redacted copies protecting confidential information will be accepted. The M&V report does not count towards the 40-page limit
5. Provide a brief discussion of energy baseline adjustments and energy rate escalation assumptions. Energy rate escalation assumptions used in any financial pro forma shall be capped at 2%. Guaranteed energy savings will be measured in terms of kW, kWh, MMBTU, etc. The monetization of these savings will use the actual energy utility rate, and at the assumed

RFQ for Energy Performance Contracting Services
Attachment D: Evaluation Criteria

escalation rate in the annual Measurement & Verification report. Guarantees will be evaluated using the escalated rates.

Letter of Transmittal

Each proposal shall include a letter of transmittal that bears the signature of an authorized representative of the ESCO Respondent. The letter shall indicate the Respondent’s proposal is a valid offer to provide services in accordance with the RFQ requirements and that the Respondent will comply with the terms of the RFQ. This letter does not count towards the 40-page limit but is limited to one page.

Sample Agreement

The Offeror must provide a proposed sample Contract that identifies the General Terms and Conditions as well as other agreement provisions to be used in the implementation of the program measures. The sample Contract shall be used to negotiate the final Contract between Town and Offeror. The Town reserves the right to negotiate any terms of the Contract that are in the best interest of the Town. This sample contract does not count towards the 40-page response limit.

Risk and Responsibility Matrix

Please populate the matrix below.

RESPONSIBILITY/DESCRIPTION	ESCO PROPOSED APPROACH
1. Financial	
<p>a. Interest rates: Neither the ESCO nor the Town has significant control over prevailing interest rates. During all phases of the project, interest rates will change with market conditions. Higher interest rates will increase project cost, financing/project term, or both. The timing of the Contract / Delivery Order signing may impact the available interest rate and project cost.</p>	
<p>b. Energy prices: Neither the ESCO nor the Town has significant control over actual energy prices. For calculating savings, the value of the saved energy may either be constant, change at a fixed inflation rate, or float with market conditions. If the value changes with the market, falling energy prices place the ESCO at risk of failing to meet cost savings guarantees. If energy prices rise, there is a small risk to the Town that energy saving goals might not be met while the financial goals are. If the value of saved energy is fixed (either constant or escalated), the Town risks making payments in excess of actual energy cost savings. Clarify how future energy costs will be treated.</p>	

RFQ for Energy Performance Contracting Services
Attachment D: Evaluation Criteria

<p>c. Construction costs: The ESCO is responsible for determining construction costs and defining a budget. In a fixed-price design/build Contract, the Town assumes little responsibility for cost overruns. However, if construction estimates are significantly greater than originally assumed, the ESCO may find that the project or measure is no longer viable and drop it before Contract award. In any design/build Contract, the Town loses some design control. Clarify design standards and the design approval process (including changes) and how costs will be reviewed.</p>	
<p>d. M&V costs: Third party M&V costs are paid from the project savings. Clarify how project savings are being verified (e.g., equipment performance, operational factors, energy use) and the impact on M&V costs.</p>	
<p>e. Non-Energy Cost Savings: The Town and the ESCO may agree that the project will include savings from <i>recurring</i> and/or <i>one-time</i> costs. Recurring savings generally result from reduced O&M expenses or reduced water consumption. These O&M and water savings must be based on actual spending reductions. Clarify sources of non-energy cost savings and how they will be verified.</p>	
<p>f. Delays: Both the ESCO and the Town can cause delays. Failure to implement a viable project in a timely manner costs the Town in the form of lost savings, and can add cost to the project (e.g. construction interest, re-mobilization). Clarify schedule and how delays will be handled.</p>	
<p>g. Major changes in facility: The Town controls major changes in facility use, including closure. Clarify responsibilities in the event of a premature facility closure, loss of funding, or other major change.</p>	

RFQ for Energy Performance Contracting Services
Attachment D: Evaluation Criteria

<p>2. Operational</p>	
<p>a. Operating hours: The Town generally has control over operating hours. Increases and decreases in operating hours can show up as increases or decreases in “savings” depending on the M&V method (e.g., operating hours multiplied by improved efficiency of equipment vs. whole-building/utility bill analysis). Clarify whether operating hours are to be measured or stipulated and what the impact will be if they change. If the operating hours are stipulated, the baseline should be carefully documented and agreed to by both parties.</p>	
<p>b. Load: Equipment loads can change over time. The Town generally has control over hours of operation, conditioned floor area, intensity of use (e.g. changes in occupancy or level of automation). Changes in load can show up as increases or decreases in “savings” depending on the M & V method. Clarify whether equipment loads are to be measured or stipulated and what the impact will be if they change. If the equipment loads are stipulated, the baseline should be carefully documented and agreed to by both parties.</p>	
<p>c. Weather: A number of energy efficiency measures are affected by weather. Neither the ESCO nor the Town has control over the weather. Changes in weather can increase or decrease “savings” depending on the M&V method (e.g. equipment run hours multiplied by efficiency improvement vs. whole-building/utility bill analysis). If weather is “normalized,” actual savings could be less than payments for a given year, but will average out over the long run. Clearly specify how weather corrections will be performed.</p>	
<p>d. User participation: Many energy conservation measures require user participation to generate savings (e.g., control settings). The savings can be variable and the ESCO may be unwilling to invest in these measures. Clarify what degree of user participation is needed and utilize monitoring and training to mitigate risk. If performance is stipulated, document and review assumptions carefully and consider M&V to confirm the capacity to save (e.g., confirm that the controls are functioning properly).</p>	

RFQ for Energy Performance Contracting Services
Attachment D: Evaluation Criteria

<p>3. Performance</p>	
<p>a. Equipment performance: Generally the ESCO has control over the selection of equipment and is responsible for its proper installation, commissioning, and performance. Generally the ESCO has responsibility to demonstrate that the new improvements meet expected performance levels including specified equipment capacity, standards of service, and efficiency. Clarify who is responsible for initial and long-term performance, how it will be verified, and what will be done if performance does not meet expectations.</p>	
<p>b. Operations: Responsibility for operations is negotiable, and it can impact performance. Clarify responsibility for operations, the implications of equipment control, how changes in operating procedures will be handled, and how proper operations will be assured.</p>	
<p>c. Preventive Maintenance: Responsibility for maintenance is negotiable, and it can impact performance. Clarify how long-term preventive maintenance will be assured, especially if the party responsible for long-term performance is not responsible for maintenance (e.g., ESCO provides maintenance checklist and reporting frequency). Clarify who is responsible for long-term preventive maintenance to maintain operational performance throughout the Contract term. Clarify what will be done if inadequate preventive maintenance impacts performance.</p>	
<p>d. Equipment Repair and Replacement: Responsibility for repair and replacement of ESCO-installed equipment is negotiable; however it is often tied to project performance. Clarify who is responsible for replacement of failed components or equipment throughout the term of the Contract. Specifically address potential impacts on performance due to equipment failure. Specify expected equipment life and warranties for all installed equipment. Discuss replacement responsibility when equipment life is shorter than the term of the Contract.</p>	

RFQ for Energy Performance Contracting Services
Attachment D: Evaluation Criteria

ATTACHMENT D: EVALUATION CRITERIA

All responses will be evaluated for completeness and clarity of information. Missing information or unresponsiveness in an area will be reason for a lower score in that area or elimination.

1. Evaluation

Each response will be evaluated by a review committee which will grade the responses on merit, completeness, and the ability of the Respondent to meet the needs and best interests and stated goals and objectives of the Town of New Milford. The evaluation process may include verification of presented information and clarification as requested.

2. Grading Point Values

	<i>Point Value Max.</i>	<i>Score</i>
Company Qualifications	25	
Technical Approach and Energy Measures	40	
Services	10	
Financial Approach	25	
Total Points	100	

3. Selection Details

The evaluation Team will review the Proposals and contact references as necessary. Following this review, a short list of potential awardees will be contacted to arrange an interview with the ESCO and its Team members. After the interviews are completed the evaluation Team will formally announce the award within five (5) business days.

The Town of New Milford will select the most qualified vendor response that addresses the financial and operational goals of this Request for Qualifications and may reject any and all proposals without penalty or cost. The cost for preparation and response to this Request for Qualifications will be borne solely by the respondents and is not a billable obligation of the Town of New Milford unless the respondent is selected, and a final Contract is executed between the selected respondent and the Town of New Milford.

At the time of selection, the Town and the selected ESCO will enter into an Investment Grade Audit Agreement contract. The break fee for the audit will be at the rate provided to the State of Connecticut (or less at the discretion of the responding ESCO) when the ESCO was qualified to work in the state. The break fee rate will be reaffirmed by all respondents.

RFQ for Energy Performance Contracting Services
Attachment E: Technical Facility Profiles and IGA Properties.

ATTACHMENT E: PRELIMINARY IGA PROPERTIES

This section is intended to provide the ESCO with basic knowledge of the buildings and systems for the RFQ bid responses. Additionally, electric and gas usage and costs are included for 15 properties, along with street lighting, and a potential microgrid to assist in estimating potential IGA scope for the selected ESCO. The information was prepared with diligence, however the ESCO is responsible for verifying the accuracy of all information provided in this RFQ and its Attachments.

New Milford Preliminary Property list for RFQ						
Building Name	Annual Electric Use (kWh)	Annual Gas Use (ccf)	Annual Oil Use (gal)	Area (SF)	EUI (kBtu/SF)	Year Built
WCPA (Combined)*	1,359,439			50,000	93	UNK
Town Hall Central Office	68,863		4,963	33,000	28	1950
Richmond Center	57,860		3,461	19,073	35	1906
Police Station	164,630			12,904	44	1989
Department of Public Works	77,607	6,097		17,936	50	1940
Parks and Rec	26,896		2,425	4,087	104	1935
The Maxx	63,027		3,686	8,520	85	1925
Candlewood Lake Rd Docks/Bathhouse	10,900			1,000	37	1950
Lanesville Fire	14,216		1,772	5,500	53	1980
New Milford Public Library	80,229		11,274	15,398	119	1896
Ambulance Barn	84,386	3,039		7,900	76	2010
High School	2,300,328	87,453	2,166	266,485	64	1980
Sarah Noble Intermediate School	769,303	46,270		182,073	41	1960
Northville Elementary School	257,701		19,333	79,524	45	1981
Schaghticoke Middle School	458,289		44,007	147,876	52	1970
Total	5,905,406	142,859	113,754	918,001	55	

*Total area unknown or estimated